GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:148
ANSWERED ON:20.02.2001
FREIGHT RATES OF COAL
Y.S. VIVEKANANDA REDDY

Will the Minister of COAL be pleased to state:

(a) whether in a bid to make domestic coal competitive as compared to the imported grades of Coal, the Ministry is pressing for a two tier freight classification for the transportation of coal by railways;

(b) if so, whether the Ministry has also been asked to reduce the freight rates for coal and transport beyond 450 Kilometers; and

(c) if so, the response of the Ministry thereto?

Answer

THE MINISTER OF STATE FOR COAL (SHRI SYED SHAHNAWAZ HUSSAIN)

(a)to(c): Domestic Coal transported over long distances particularly to coastal areas, is rendered uncompetitive against the imported coal due to certain factors which include high railway freights. Ministry of Coal has addressed Ministry of Railways on many occasions in the past to rationalize the railway freight structure, in order to make indigenous coal cost competitive . So far, the Ministry of Railways has not reduced the freight rates on coal.